

from being discontinued, and that they would act liberally when the other mail contracts terminate.

Queensland has to consider the requirements of her northern portion, which is already served by the subsidised British India steamers. Mr. Huddart was willing that the steamers should call at New Zealand, but for that purpose would require more than the £10,000 subsidy which that colony offered; and in any case so considerable a divergence from the direct route would affect the efficiency of the line as a mail service between Australia and Great Britain.

The difficulties therefore will be great if each colony stands out for its own separate interests. But perhaps a broader view of the matter will prevail, suggested by the general interests of Australasia. Mr. Lee-Smith, on behalf of New Zealand, said: "I shall be prepared to give the matter consideration from what I may term a federal point of view. I recognise that New Zealand cannot be placed in a better position than any other colony." And then in the same broad-minded spirit, he promised, on behalf of New Zealand, a special subsidy of £1,500 from the Imperial point of view, even if New Zealand could not be made the last port of call.

This I venture to think is the attitude which ought to be adopted by the other Colonies. A quick first-class line of steamers through the Pacific is the most essential condition for the development of Australasian trade in that ocean and with Canada. As Sydney would be the chief port on the Australasian side, New South Wales might well be expected to give a larger subsidy than the others, but that Colony ought to be helped in its endeavour to create a line of communication which will most assuredly benefit the other Colonies in a greater or less degree.

It is estimated by Mr. Huddart that with the complete service proposed British mails could be delivered in Australia within 28 days, or in New Zealand (if that route is adopted) within 26 days. The present average by the Peninsula and Oriental and Orient companies was stated to be about $34\frac{1}{2}$ days to Sydney. The difference is, of course, considerable, but it has to be borne in mind that these companies could, if necessary, decrease the time now taken, and the Conference was reminded by Mr. Forrest that the Peninsula and Oriental company is now building a faster boat, and that others of a similar kind are projected.

It may also be observed that the new development of the export trade in such articles as butter and fruit makes cool, quick transit for freight an important consideration, and that therefore the Australasian Colonies will, in granting any future subsidy, have regard to cool, quick transit for produce, as well as to the conveyance of mails. The proposed Atlantic steamers would, Sir A. P. Caron stated, have 3,000 or 4,000 tons of cool storage, so as to be able to carry perishable goods coming from Australasian Colonies. But the two transhipments and long transit over the Canadian Pacific Railway and other railways are of course serious difficulties in the way of through traffic by this route to Great Britain. At the same time (though no specific figures were quoted to the Conference) it was understood that the railway freights are very low, so that in the east of Canada the railways are able to divide the trade with the Erie Canal.

The present Australasian mail contracts have recently been renewed up to the 31st of January, 1896, and may possibly be further renewed till 1898, so as to run out with the India and China contract. But, as the ships